

## Message Text

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PAGE 01 KUALA 05855 150904Z  
ACTION EB-08

INFO OCT-01 EA-10 ISO-00 CIAE-00 COME-00 INR-10 LAB-04  
NSAE-00 SIL-01 CEA-01 TRSE-00 STR-07 NSC-05 /047 W  
-----069287 160201Z /73  
R 150655Z JUN 78  
FM AMEMBASSY KUALA LUMPUR  
TO SECSTTE WASHDC 5484

C O N F I D E N T I A L KUALA LUMPUR 5855

E.O.11652: GDS  
TAGS: ETRD, ELAB, MY  
SUBJECT: REQUEST FOR INFORMATION ON LABOR STANDARDS

REF: STATE 136706

1. IN RESPONSE PARA 3 OF REFTTEL, THE POST HAS  
COMPLIED THE FOLLOWING INFORMATION:  
A. NO SLAVE, INDENTURED OR OTHER FORCED LABOR IS  
USED ON ANY PROJECT IN MALAYSIA. EVEN INMATES  
SERVING LONG-TERM PRISON SENTENCES ARE GIVEN THE  
OPTION OF TAKING PART IN WORK PROGRAMS FOR WHICH THEY  
ARE REIMBURSED.  
B. NO CHILD UNDER THE AGE OF 12 IS PERMITTED TO WORK IN  
MALAYSIA. INFORMAL CONSTRAINTS IN THE SOCIETY  
PRECLUDE ANY INDUSTRIAL EMPLOYEMENT OF YOUTHS UNTIL  
THEY ARE APPROXIMATELY 15 TO 16 YEARS OLD.  
C. BOTH LAWS AND REGULATIONS EXIST CONCERNING  
SAFETY STANDARDS IN THE WORK PLACE.  
D. THERE ARE NO LAWS ON THE BOOKS IN MALAYSIA  
THAT SPECIFICALLY LIMIT LABOR ACTIVITY OR DISCRIMINATE  
AGAINST LABOR IN THE FREE TRADE ZONES OF THE COUNTRY.  
LABOR LAWS DO EXIST, HOWEVER, THAT PRECLUDE THE  
FORMATION OF UNIONS IN ANY NEW "PIONEER INDUSTRY"  
UNTIL THE INDUSTRY HAS BEEN IN OPERATION FOR FIVE  
YEARS IN THE COUNTRY. WHILE THIS REGULATION DOES NOT  
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PRECLUDE ORGANIZED LABOR ACTIVITY IN THE FREE TRADE  
ZONES, IT DOES SLOW UP THE DEVELOPMENT OF UNIONS.  
IN ALL FAIRNESS, HOWEVER, IT SHOULD BE POINTED OUT THAT  
FREE TRADE ZONES PROVIDE SOME OF THE BEST PAYING  
OPPORTUNITIES AND MOST LIBERAL FRINGE BENEFIT PROGRAMS  
IN THE COUNTRY.

2. THE ABOVE-MENTIONED PRACTICES APPLY TO THE ENTIRE ECONOMY BUT IT SHOULD BE POINTED OUT THAT THE SMALLER AGRI AND COTTAGE INDUSTRIES ARE LESS LIKELY TO FOLLOW THEM TO THE LETTER OF THE LAW AND THE AUTHORITIES ARE LESS LIKELY TO MONITOR THESE SMALLER ORGANIZATIONS. THE LARGER, FOREIGN-OWNED FIRMS ARE THE MOST HEAVILY MONITORED AND ARE EXPECTED TO FOLLOW THE LETTER OF THE LAW EXACTLY. WE FEEL THAT WE SHOULD ALSO POINT OUT THAT WHILE WORKERS IN THE FREE TRADE ZONES OF MALAYSIA EARN SUBSTANTITALLY LESS THAN THEIR AMERICAN COUNTERPARTS, THEY DO EARN MORE THAN THEY COULD FROM ANY ALTERNATIVE SOURCE OF EMPLOYMENT.  
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## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01 jan 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** LABOR, STANDARDS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 15 jun 1978  
**Decaption Date:** 01 jan 1960  
**Decaption Note:**  
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**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 20 Mar 2014  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
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**Message ID:** 233ae287-c288-dd11-92da-001cc4696bcc  
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**Review Content Flags:**  
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**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 2330962  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** REQUEST FOR INFORMATION ON LABOR STANDARDS  
**TAGS:** ETRD, ELAB, MY  
**To:** STATE  
**Type:** TE  
**vdkgvwkey:** odbc://SAS/SAS.dbo.SAS\_Docs/233ae287-c288-dd11-92da-001cc4696bcc  
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